



RESOLUTION 830 WORKING GROUP

"Positioning Publicly-Assisted Housing for the Future"

Frequently Asked Questions

Question: Why is Resolution 830 being reviewed now?

Response: Both local and federal policies, programs, partners and funding sources have evolved significantly since Resolution 830 was adopted in 1981. At that time, ARHA was the primary affordable housing provider in the City; now many nonprofit and private developers preserve and produce housing affordable to households with incomes at or below 60% AMI. Federal resources for housing are decreasing, creating new challenges for ARHA to fulfill its mission as in the past.

Since ARHA is actively redeveloping several public housing sites currently into mixed income communities (there are 5 sites that are currently in ARHA's pipeline for redevelopment with partners), the City and ARHA have concluded that this is the right time to review and modernize Resolution 830 through a community engagement process that reflects current best practices as well as development and finance tools and strategies to support affordable housing development.

Question: What is Resolution 830?

Response: <u>Resolution 830</u>, which was adopted by Alexandria City Council in 1981, memorializes a joint commitment between the City of Alexandria (City) and the Alexandria Redevelopment and Housing Authority (ARHA) that requires both parties to replace any of the 1,150 designated public housing units protected by the Resolution if they are demolished or redeveloped. It also requires that ARHA and/or its development partners relocate public housing tenants displaced due to demolition and redevelopment activities. Resolution 830 superseded Resolution 99 which was adopted in 1971 to similarly address public housing replacement and relocation concerns.

Resolution 830 also states the following:

- Public housing can only be demolished after replacement publicly-assisted housing is available for relocation by impacted tenants
- All monies realized from the sale or lease of public housing are to be used to benefit the living environment of public housing residents
- All relocation expenses will be borne by ARHA and/or its designated developer
- Any public housing that is demolished can be replaced by conventional public housing units and/or publicly-assisted housing units
- Publicly-assisted housing is to be substantially equivalent to the units being replaced for a period of 20 years or more

Question: Which housing in Alexandria is protected by Resolution 830?

Response: In 1981, when Resolution 830 was adopted, there were 1,150 public housing units in the City of Alexandria. The list of housing units protected by Resolution 830 can be found at this link.

Question: What is public housing?

Response: Public housing was established to provide decent and safe rental housing for income eligible families, the elderly, and persons with disabilities.

Question: What is publicly-assisted housing?

Response: Rental housing available to income-eligible households through rent and/or occupancy restrictions imposed as a condition of assistance under federal, state, or local programs. Targeted incomes levels vary by program; and may be as high as 80% AMI.

Question: How does Resolution 830 define one-for-one replacement?

Response: One-for-one replacement has broadly been interpreted to mean for every public housing unit that is demolished, another publicly-assisted unit is constructed or acquired.

Question: Does Resolution 830 specify size and incomes served by units?

Response: Resolution 830 does not establish any specific requirements concerning the replacement housing unit's size, number of bedrooms, or targeted income of the residing household (beyond federal guidelines concerning rent/income limits).

Question: Can I participate in the public consultation process?

Response: Yes, the public is encouraged to participate by attending meetings and providing input during the public discussion periods. The City and ARHA have convened a Working Group of invited stakeholders who will weigh in on the final recommendations. Attend the meetings and participate in the discussion. Additionally, you can email us questions and comments throughout the public consultation process at housing@alexandriava.gov.

Question: When are the public meetings? Where will they be held?

Response: The meeting dates and times are listed below. Refreshments will be provided at all meetings.

- January 10, 2018; 6:30pm 8:30pm Topic: "Current Context of Public Housing Funding, Existing Resolution 830 Policy"
- January 31, 2018; 8:30am 10:30am Topic: "Funding and Financing Replacement Housing"
- February 21, 2018; 8:30am 10:30am Topic: "Expansion of Resolution 830"
- March 14, 2018; 6:30pm 8:30pm Topic: "Recommendations"

Question: How many people in Alexandria are paying more than 30% and 50% of the income on rental housing?

Response: HUD defines households that spend more than 30% of their income on rental housing costs as, "housing cost-burdened" and those that spend more than 50% of their income on rental housing costs are considered, "severely rent-burdened". According to 2017 American Community Survey¹ data, its 2012- 2015 5-Year Estimates provide the following information:

Spending 30% or more of income on rent and utilities:

- 7,089 households earning \$34,999/year or below (equates to 10.4% of City households)
- 11,851 households earning \$49,999/year or below (equates to 17.4% of City households)
- 15,721 households earning \$75,000/year or below (equates to 23.1% of City households)

Spending 50% or more of income on rent and utilities:

- 5,640 households earning \$34,999/year or below (equates to 8.2% of City households)
- 6,985 households earning \$49,999/year or below (equates to 10.2% of City households)
- 7,279 households earning \$75,000/year or below (equates to 10.7% of City households)

Question: What is the City's unmet housing need?

Response: Housing need is a complex issue and shaped by many factors, including household income, size, type, employment status, access to transportation, ability, and so forth. Therefore, there are many ways to measure housing need. For purposes of our work to evaluate and modernize Resolution 830, we will share information related to ARHA's waiting list and market availability of market-rate housing to those earning up to 60% of Area Median Income (AMI).

ARHA's waiting lists for Housing Choice Vouchers and housing that is either owned or operated by ARHA is currently 9,121 families.

Property managers have also informed staff that waitlists for both the Claridge House and Foxchase are closed, but combined have several hundred prospective renters on their waitlists.

For market-rate housing that is affordable to households earning no more than 60% of AMI, the estimated unmet housing need ranges from 6,026 to $9,896^2$ units.

¹ Source: US Census Bureau

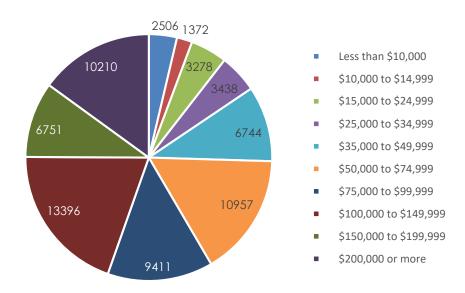
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² This range is derived by determining the difference between the city's committed affordable rental housing stock and the number of households earning up to \$49,999 and \$74,999.

The pie chart shows a detailed breakdown of the City's household income (including benefits). Source: ACS 2012-2016 5-year Estimates³.

In summary, 15.6% of city households (10,594) earn \$34,999 or below, 9.9% of households (6,744) earn \$35,000-\$49,999, and 16.1% of households (10,957) earn \$50,000-\$74,999. More than 2/3 are housing cost burdened.

Household income and benefits



Question: What are the different types of affordable housing that are currently provided by ARHA and other affordable housing providers?

Response: Alexandria affordable housing is allocated among the following:

Committed Affordable Units (CAUs)	
Resolution 830 units ⁴	1,150
Units Supported with Federal/State/Local Funding ⁵	2,586
Affordable Rental Set-Asides in Market-Rate Buildings	273
Supportive Units (excluding shelters)	67
Total CAUs (including units available in Spring 2018)	4,076
Market Affordable (in properties with 10 or more units)	1,749
Shelter Beds	125
TOTAL	5,950

³ DP03: SELECTED ECONOMIC CHARACTERISTICS

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⁴ ARHA owns 1,060 of these units; 90 other units are in Annie B. Rose which is privately-owned but located on ARHA-owned land

⁵ 1,040 of these units have Project-Based Vouchers

Using various financing tools, operating fund programs and rental subsidy sources, ARHA offers different types of housing resources, including ACC/Public Housing, Moderate Rehabilitation Housing, Low-Income Housing Tax Credits units, Project-Based Vouchers, Housing Choice Vouchers, Tax Exempt Multi-family Bonds, and Market-Rate Housing with discounted rents. There are 1,500 Housing Choice Vouchers under lease out of 1,926 allocated to ARHA.

Question: What is the demand for 5-bedroom units?

Response: While ARHA has no households requiring 5-bedroom units on its waitlist, based on their current composition, 10 households at Andrew Adkins would need either a four- or five-bedroom unit if they chose to remain in a committed affordable unit.

Over the last 2 years, the City has collected substantial information on more than 400 renter households in the Beauregard area who have expressed interest in other housing opportunities in the City. Of these, around 35 would benefit from a four- or five-bedroom unit based on their household size.

Question: What are the affordability time periods for committed affordable housing? Which properties have commitment periods ending soon?

Response: The affordability time periods range from 40 years to 60 years. Before 2006, 15-20 years was the typical range. Ramsey Homes has a 30-year term.

UNITS WITH EXPIRING AFFORDABILITY IN NEXT 5 YEARS (THROUGH 2022)

Set-Asides in Market-Rate Projects

The Alexander: 13

The Northhampton Condominiums: 12

Resolution 830 units Annie B. Rose: 90

Assisted Units

Claridge House: 300

Foxchase: 423

Olde Towne West III: 75 Heritage at Old Town: 140 New Hope Housing: 3

Bellefonte Permanent Supportive Housing: 12

UNITS WITH EXPIRING AFFORDABILITY IN NEXT 6-10 YEARS (2023-2027)

Set-Asides in Market-Rate Projects Meridian at Eisenhower Station: 15

Southern Towers: 105

Resolution 830 units Quaker Hill: 60

Assisted Units
Elbert Avenue: 28

Question: How many units in the City are committed affordable for households earning up to 40% of AMI?

Response: All of ARHA's public housing units are available to households earning up to 80% of AMI. LIHTC units are available to households earning up to 60% of AMI. The future redeveloped Ramsey Homes will include 15 units for households earning up to 30% of AMI.

There are 52 units currently at different stages of development in the City that are committed specifically for households earning up to 40% of AMI. All future new City-supported LIHTC projects are expected to provide at least 10% of their total units affordable at 40% AMI. Pursuant to the Beauregard Small Area Plan, the City pledged to help create or preserve at least 800 committed affordable units, including 400 affordable at 40% AMI to potentially meet housing need. Projects with designated 40% AMI units include:

PROJECT NAME	STATUS	PROJECTED DELIVERY*	# 40% AMI
St James (AHC)	Construction	Mid 2018	10
Gateway at King and Beauregard (AHDC)	Construction	Mid/late 2019	8
Carpenter's Shelter (AHDC)	Pre- construction	Late 2019/Early 2020	10
Lacy Court (AHDC)	Pre-renovation	Late 2018	4
Church of the Resurrection (AHC)	Approved; applying for tax credits	Late 2020/Early 2021	12
Fairlington Presbyterian (Wesley Housing)	Predevelopment	Late 2021/Early 2022	8 (estimate)

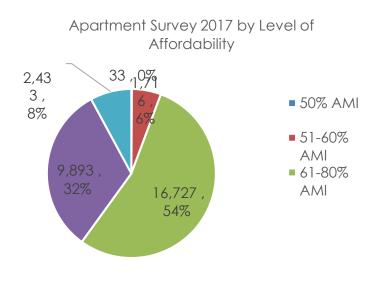
Please also note that projects with HUD-funded project-based voucher (PBV) contracts provide units at deep levels of affordability (30-40% and below). PBVs are tied to a unit rather than a household, but similar to HCVs they allow an eligible tenant (including those with very low incomes) to pay only 30% of their income on rent and utilities. The PBV pays the property owner the difference between what the tenant can pay and an established rent (typically a "fair market rent" which defined by HUD annually).

There are currently 1,0406 privately-owned PBV units and 1637 ARHA-owned PBV units.

Question: City-wide, how many rental units are there for each income level?

Response: The City conducts an annual survey of all privately-owned, non-committed affordable apartment complexes with ten or more rental units. As part of this process, it collects point-intime information on current rents, fees and amenities, as well as if the property accepts Housing Choice Vouchers.

AMI	Number of units in privately-
	owned, non-committed
	affordable rental properties
	(with 10 or more units) ⁸
> 50% AMI	33
51-60% AMI	1,1716
61-80% AMI	16,727
81-100% AMI	9,893
101%+	2,433



Question: What was the City's population in 1972, 1981, and 2017?

Response: 108,089 people; 105,031 people; and 155,810 people, respectively.

Question: What is the return rate for ARHA households that experienced relocation due to redevelopment?

Response: ARHA reports a 40% return rate in its recent projects. The national average is 20% return rate.

Question: What tools does the City have to incentivize affordable housing?

Response: The City's tools are found in the Housing Master Plan. In brief, existing tools include:

- Bonus density and height (Section 7-700 of the Zoning Ordinance)
- Optional parking reductions for affordable housing (Section 8-200 of the Zoning Ordinance)

⁶ There are 90 PBV units are in Annie B. Rose, 12 in Bellefonte Permanent Supportive Units, 300 at the Claridge House, 423 at Foxchase Alexandria, 75 at Olde Towne West III, and 140 at the Heritage at Old Town.

⁷ There are 54 PBV units in Old Town Commons Phase V and 109 in Hopkins-Tancil Courts.

⁸ Source: City of Alexandria, January 2017 Apartment Survey

- Exemption from meeting current parking requirements for affordable housing rehabilitation projects that are substantially rehabilitated
- Predevelopment funding
- Permanent gap financing
- Opportunities for co-location with other public or private uses
- Use of public land for affordable housing

Question: What housing is available to persons with disabilities?

Response: The City does not keep a list of accessible units. Typically, 10% of all units in new affordable housing/LIHTC developments are accessible.

Question: How much have the City and ARHA have spent to replace Resolution 830 housing? Response: Since Chatham Square was redeveloped in 2002-03, ARHA has utilized more than \$126 million in tax credits and agency loans to fund replacement housing over multiple projects. The City has provided more than \$23 million so far, and set aside a reserve fund for potential future projects (current balance around \$4M). For Chatham Square, James Bland, and Alexandria Crossing, the City provided some funds to replace 64 off-site replacement units.

Question: What are the federal requirements for relocation of Resolution 830 Housing? Response: ARHA reports that is not subject to the Uniform Relocation Act requirements based on HUD funding guidelines.

Question: Can the City fund a housing program to replace 30% ACC units?

Response: The City is not permitted to subsidize ACC units. ACC is a rental subsidy project provided by HUD. The City, however, provides real estate exemptions to most ARHA developments (estimated to be approximately \$2,000/unit/year) to assist ARHA in providing deeply subsidized units.

The City's rental pilot subsidy program is proposed to be used to potentially create housing affordability at the 20, 30 and 40% AMI levels.